

1 MR. COHEN: Your Honor, could I ask for some help  
2 from Mr. Topel to ask him to help me to find a document? Your  
3 Honor?

4 JUDGE CHACHKIN: Yes.

5 MR. COHEN: I need the -- can you tell me the  
6 Exhibit number for the affiliation agreement in Portland?  
7 Thank you, Your Honor.

8 MR. TOPEL: I can't tell you --

9 MR. COHEN: You don't have it?

10 MR. TOPEL: Mr. Shook has it. It's --

11 MR. COHEN: We have so many documents, Your Honor,  
12 that it's awful hard to keep this in my head.

13 MR. TOPEL: Well --

14 JUDGE CHACHKIN: What is it, does the Bureau know  
15 the number?

16 MR. SHOOK: Your Honor, it's Bureau Exhibit Number  
17 283.

18 JUDGE CHACHKIN: Bureau Exhibit 283.

19 MR. COHEN: 283. Thank you.

20 MR. SCHONMAN: I think this is another volume.  
21 Volume 5.

22 BY MR. COHEN:

23 Q Need some help?

24 A No, I don't need it now.

25 Q I am not, underscore, not going to ask you about

1 that entire agreement, Mrs. Duff. I want to ask you about  
2 paragraph 6-B. And ask you, ma'am, how many hours of TBN  
3 programming a week does the Portland station carry?

4 A They carry, let's see, they do their own local  
5 Praise Program, which is an hour, which means two hours it's  
6 aired, twice, that's three, do a public affairs program, which  
7 airs twice a week, so that's another hour. Other than that,  
8 it's TBN's programming.

9 Q Thank you.

10 JUDGE CHACHKIN: Did we have a total of Portland's  
11 own programming? I know you were saying it to yourself, could  
12 you state it for the record, what the total is?

13 MRS. DUFF: The total is approximately three hours  
14 on -- I'd have to -- let's see. Three hours, -- I want to be  
15 absolutely accurate, without having a program schedule in  
16 front of me, I can't be absolutely accurate. Because I'm not  
17 sure --

18 JUDGE CHACHKIN: Give us your approximation.

19 MRS. DUFF: It's probably about five and a half, six  
20 hours per week, of local -- of local programming.

21 BY MR. COHEN:

22 Q Now, has that schedule been in effect since Portland  
23 began local programming?

24 A No, they started out with fewer programs, and they  
25 gradually have built up.

1 Q Do you know, if I gave the specifics on that, is Mr.  
2 McClellan a better person to ask than you, or do you know?

3 A He has a -- he has a program schedule.

4 Q Very good. Now, turning to the Odessa Station, am I  
5 correct that Odessa always carried the entire TBN Schedule?

6 A That's correct.

7 Q If you will notice, ma'am, that the agreement was  
8 signed by you on behalf of NMTV and Mr. Crouch on behalf of  
9 TBN. Do you see that?

10 MR. TOPEL: Mr. Cohen, can you give me the Exhibit  
11 number again?

12 MR. COHEN: Oh, it's the same exhibit.

13 MR. TOPEL: I know, I've put it away.

14 MR. COHEN: Sure, I understand.

15 MR. TOPEL: I thought we were finished.

16 MR. COHEN: 283.

17 MR. TOPEL: Thank you. Does the witness have it in  
18 front of her?

19 MRS. DUFF: Yes.

20 MR. TOPEL: Mass Media Bureau 283?

21 JUDGE CHACHKIN: The witness has it.

22 BY MR. COHEN:

23 Q Mr. Crouch was wearing again, his TBN hat, and not  
24 his NMTV hat when he signed that agreement, is that correct?

25 A He signed for Trinity Broadcasting Network.

1 Q Now, was there any discussion between you and Dr.  
2 Crouch about the provisions of this agreement, before it was  
3 signed?

4 A I don't remember really discussing it with him in  
5 great detail.

6 Q In point of fact, wouldn't he -- wouldn't he have  
7 then relied upon you to work out the agreement?

8 A Yes, he would have.

9 Q Now, you didn't negotiate with Dr. Crouch about how  
10 many hours of TBN programming the Portland station would be  
11 required to carry, did you?

12 A No, I didn't negotiate it. I just -- I just did  
13 it.

14 JUDGE CHACHKIN: Who drew up this agreement?

15 MRS. DUFF: It's a compilation of different --  
16 actually I was basically responsible for it. We had several  
17 agreements that we had used, and this one, I just sort of  
18 tailor made, it's a composite of several different agreements  
19 that --

20 JUDGE CHACHKIN: When you said we, your firm TBN?

21 MRS. DUFF: No, I'm talking about -- yeah, the  
22 agreements that I was accustomed to using, yes, when I did  
23 TBN's affiliation agreements.

24 JUDGE CHACHKIN: So this was a compilation, or a  
25 composite of TBN agreements that they had with affiliates, is

1 | that what you're saying?

2 |           MRS. DUFF: Yes, that I was basically responsible  
3 | for all the affiliations with Trinity, and so I went to my  
4 | files, and saw different clauses that I liked, and I put them  
5 | together.

6 |           JUDGE CHACHKIN: Who was responsible for drawing up  
7 | these affiliation agreements of which you found when you were  
8 | -- counsel for Trinity?

9 |           MRS. DUFF: It was, most of these, I'm almost  
10 | positive they were from May and Dunne. There may have been a  
11 | few lines like on page 9, and paragraph 13-C that were unique  
12 | which I wanted in for, you know, to give NMTV some protection,  
13 | that we could cancel if we wanted to, 120 days, and none of  
14 | TBN's other agreements have that, I couldn't find any, I don't  
15 | think any other of TBN's agreements have those.

16 |           BY MR. COHEN:

17 |           Q     Isn't it true that in drafting that agreement, you  
18 | wanted to draft an agreement that you felt would be fair?

19 |           A     Yes, and I wanted to be sure that NMTV's interests  
20 | were served.

21 |           Q     And you were wearing you NMTV hat?

22 |           A     Absolutely.

23 |           Q     Now, who took into consideration TBN's interests in  
24 | terms of preparing that agreement?

25 |           A     Well, Mr. Crouch signed the agreement, he knew that

1 I was familiar with doing agreements, and obviously that there  
2 wasn't anything in here that would be harmful for TBN, I -- it  
3 was a straight forward agreement.

4 Q He relied on you, didn't he?

5 A Yes.

6 Q And he relied on you to make sure that TBN's  
7 interests were being served also, didn't he?

8 A I think that's pretty obvious that both of us had  
9 mutual interests, and was to TBN's interest that this  
10 fledgling organization would be able to make it, and of course  
11 obviously NMTV had to have an agreement that would beneficial  
12 to it.

13 Q But Mr. Crouch, to your knowledge, didn't review the  
14 provisions of this agreement, did he?

15 A I don't know for sure if he did or not. I believe I  
16 left the agreement with him, and whether he read it  
17 thoroughly, I don't know.

18 Q But he didn't discuss the details that the -- he  
19 didn't discuss the paragraphs of the agreement with you, did  
20 he?

21 A I don't remember discussing them with him, no.

22 Q And he relied upon you, didn't he?

23 A I'm sure he did.

24 Q And he relied upon you to make sure that both NMTV's  
25 interest and TB's interest -- TBN's interest were fairly

1 | treated, isn't that right?

2 |       A     I don't know what was in his mind.

3 |       Q     Wasn't that in your mind?

4 |       A     It was in my mind to see that NMTV had an agreement  
5 | that they could live with.

6 |       Q     And didn't it also have to be an agreement that TBN  
7 | could live with, in your mind?

8 |       A     I didn't say that there was a problem for either  
9 | one.

10 |       Q     Would you turn please to Bureau Exhibit 383?

11 |       JUDGE CHACHKIN: That's in Volume 6.

12 |       MRS. DUFF: 383?

13 |       MR. COHEN: Yes.

14 |       JUDGE CHACHKIN: 386.

15 |       MRS. DUFF: I'm sorry, 386.

16 |       MR. COHEN: It's --

17 |       JUDGE CHACHKIN: What is it, 3-8 --

18 |       MR. COHEN: 383.

19 |       JUDGE CHACHKIN: 383, I'm sorry.

20 |       MR. COHEN: is that television agreement --  
21 | production agreement, is that --

22 |       JUDGE CHACHKIN: That's what 383 is.

23 |       MR. COHEN: Yeah, that's what I want.

24 |       MRS. DUFF: Yes.

25 |       BY MR. COHEN:

1 Q Now, you asked Mr. Juggert to prepare this  
2 agreement, am I correct?

3 A That's correct.

4 Q Now, when Mr. Juggert prepared this agreement, am I  
5 correct he was acting on behalf of TBN?

6 A He was actually acting on -- it was the agreement  
7 between Trinity Broadcasting and National Minority and I had  
8 asked him to do it, actually I guess he was working for both,  
9 because the agreement was, you know, it was for both, and I  
10 had asked him to do it on behalf of National Minority, and of  
11 course it was for both entities.

12 Q Well, wasn't he acting as Trinity's lawyer in  
13 connection with the preparation of this agreement?

14 A He didn't charge NMTV for it, so I don't know. It  
15 was one of those things that, it was for the mutual benefit of  
16 both.

17 Q But wasn't he acting as Trinity's Lawyer, in  
18 connection with the preparation of --

19 A I guess you could --

20 MR. TOPEL: Objection.

21 JUDGE CHACHKIN: You could answer.

22 MR. TOPEL: This is an objection.

23 JUDGE CHACHKIN: I think the question was asked.

24 MR. COHEN: She hasn't answered.

25 MR. TOPEL: No, I think the same question wasn't --



1 JUDGE CHACHKIN: You can answer the question.

2 MR. COHEN: Let me ask the question again, since  
3 you've heard this -- and the Judge is permitting me to ask the  
4 question.

5 JUDGE CHACHKIN: I'm also permitting her to answer  
6 the question.

7 MR. COHEN: Of course. But since there's been an  
8 objection --

9 JUDGE CHACHKIN: All right, go ahead, ask the  
10 question.

11 BY MR. COHEN:

12 Q Isn't it correct that Mr. Juggert was acting as  
13 Trinity's lawyer in connection with the preparation of the  
14 agreement?

15 MR. TOPEL: My objection is that that was asked and  
16 answered.

17 JUDGE CHACHKIN: Overruled.

18 MR. TOPEL: There's a question as to whether she  
19 should answer it.

20 MR. COHEN: You need to answer it.

21 MRS. DUFF: Oh, --

22 MR. TOPEL: When the Judge says my objection is  
23 overruled, you have to -- you answer the question fast.

24 MRS. DUFF: I would think that he was -- he was  
25 doing it National Minority, because that's the context of my

1 -- when I called him, I asked him to do this, for National  
2 Minority.

3 MR. COHEN: For purposes of impeachment, Your Honor,  
4 I want to read the witness's deposition of October 8th, page  
5 109, line 19. Question, he, referring to Mr. Juggert, "Was  
6 acting as Trinity's lawyer, I take it, in connection with the  
7 preparation of this agreement?" Answer, "Yes."

8 MR. TOPEL: Which day, Mr. Cohen?

9 MR. COHEN: October 8th.

10 MR. TOPEL: It's the second day?

11 MR. COHEN: Yes.

12 BY MR. COHEN:

13 Q Now, insofar as Mr. Juggert is concerned, isn't it  
14 true that when significant matters are brought before the NMTV  
15 Board, you believe it important to have Mr. Juggert's counsel  
16 and advice?

17 A I like to have Norm available to do the minutes, and  
18 there were times when I did invite him to the meeting because  
19 I felt that it was important to be able to ask his advice.

20 Q I would ask you again, isn't it true, that when  
21 significant matters were brought before the NMTV Board, you  
22 believed it was important to have Mr. Juggert's Counsel and  
23 advice?

24 MR. TOPEL: I believe the witness answered to --

25 MR. COHEN: She didn't.

1 JUDGE CHACHKIN: Overruled.

2 MRS. DUFF: Yes.

3 JUDGE CHACHKIN: Was Mr. Juggert paid by NMTV for  
4 any of his services?

5 MRS. DUFF: I don't believe so.

6 JUDGE CHACHKIN: He was paid by TBN for his services  
7 to TBN, isn't that right?

8 MRS. DUFF: I didn't quite understand.

9 JUDGE CHACHKIN: He was paid by TBN for any services  
10 performed on behalf of TBN?

11 MRS. DUFF: Yes. Can I qualify that?

12 JUDGE CHACHKIN: Yes.

13 MRS. DUFF: There were times that he did do things  
14 for TBN free of charge. But generally speaking he did charge  
15 for his services, but not every single thing that he did.

16 BY MR. COHEN:

17 Q Has TBN forgiven any portion of the NMTV  
18 indebtedness at any time?

19 A I don't believe so.

20 Q Now, do you know of your own personal knowledge what  
21 NMTV's debt is to TBN at the present time?

22 A I think it's about \$5 million.

23 Q Now, is NMTV paying off its debt to TBN?

24 A Yes.

25 Q And on what basis?

1           A     We're paying \$27,000 a month.

2           Q     Now, has that action of paying \$27,000 a month, has  
3 that been memorialized in writing?

4           A     Yes.

5           Q     And when was it memorialized in writing?

6           A     It was memorialized in writing, I guess it was July  
7 31st, '90 -- I guess it was '92.

8                   MR. COHEN: Your Honor, I'm not being contentious,  
9 but I'd like to know whether that document was supplied in  
10 discovery, it may have been, but I'm not aware of it?

11                   MR. TOPEL: Our only document bearing that date is  
12 the one that you examined the witness on, there's a subsequent  
13 document that's in the record, that you have, but it doesn't  
14 bear that date.

15                   MR. COHEN: But there is no -- well, but -- I assume  
16 by document, you're referring to a document memorializing what  
17 the witness just testified to, about the payment of \$27,000 a  
18 month.

19                   MR. TOPEL: The only document dated in the time  
20 frame that the witness spoke of is the one you examined her  
21 about yesterday. There's no other document memorializing the  
22 payment of that date. There's a different document.

23                   MR. COHEN: What's the number of that document to  
24 help me, it's the July 31, 1992 memorandum you're referring  
25 to, right?

1 MR. SCHONMAN: Bureau Exhibit 399.

2 BY MR. COHEN:

3 Q If you could please refer to the document that Mr.  
4 Topel was gracious enough to help me find. And that's the  
5 memorandum which I asked you about yesterday, and I don't  
6 propose to ask you the same questions. But what I'm confused  
7 about, ma'am, is you testified that NMTV is paying off its  
8 debt at the rate of \$27,000 a month. And I'd ask you whether  
9 that action had been memorialized in writing. And you  
10 referred to this memorandum. And as I read this memorandum,  
11 it doesn't refer to a payment of \$27,000 a month. Am I -- I'm  
12 not catching on here.

13 A This speaks to annual payments, but the annual  
14 payments have been changed to monthly payments.

15 Q And does the action changing the annual payments to  
16 monthly payments, was that memorialized in writing?

17 A I don't believe it was. We just divided the  
18 payments up.

19 Q Is interest being paid on the debt that NMTV owes  
20 TBN, to your knowledge?

21 A Yes.

22 Q How much interest is being paid on the debt? If you  
23 know?

24 A I can't remember.

25 Q Would -- but you're certain that interest is being

1 paid?

2 A I can't remember -- I'm not sure.

3 Q In --

4 A We were negotiating that at one time, and I can't  
5 remember for sure, whether we got it reduced, I know that  
6 there was negotiations, but I can't remember what the actual  
7 result of that negotiation was.

8 Q When did these negotiations take place?

9 A About the time that we did the calculations.

10 Q That are referred to in --

11 A Yes.

12 Q And between whom did the negotiations take place?

13 A Myself, and the -- actually I think the Board had  
14 some discussions about it.

15 Q The Board?

16 A Yes.

17 Q Which Board?

18 A The Board of NMTV, and the Board of TBN.

19 Q Is that memorialized in writing anywhere?

20 A I'm not sure if it is or not.

21 Q Would you look at Exhibit 386, Bureau Exhibit 386?  
22 I have reference to page 2 of the minutes, the second  
23 paragraph. Do you see that?

24 A Yes.

25 Q Now, it states "After discussion it was determined

1 that a five year plan was feasible." This is a five year plan  
2 to bring the Corporation out of debt. Was the five year plan  
3 implemented?

4 A Well, this here says seven year plan, in the second  
5 paragraph.

6 Q Well, read the last sentence. After discussion it  
7 was determined that a five year plan was feasible.

8 A I stand corrected.

9 Q My question is has the five year plan been  
10 implemented?

11 A The document speaks to that, you know the  
12 memorialization of that, in the July agreement.

13 Q Now, my question again is is it your testimony then  
14 that NMTV's debt to Trinity is being -- will be paid off at  
15 five years on the basis of a payment of \$27,000 a month?

16 A No, there will be a balloon payment.

17 Q Balloon payment, now, is that a matter that has been  
18 memorialized in writing?

19 A I'm not sure if it was or not, I don't believe so.

20 JUDGE CHACHKIN: Well, the Board here approved a  
21 five year plan, I'm referring to the 1992 Annual meeting. Was  
22 there a subsequent meeting where the Board modified the plan  
23 that they were agreeable to?

24 MRS. DUFF: I don't remember any such meeting that  
25 was memorialized, no. But it just doesn't, you know, it

1 | doesn't figure out, I don't believe, when you look at the  
2 | figures, I don't think it figures out the debt will be totally  
3 | reduced, making those kind of payments.

4 |           MR. COHEN: It doesn't come close.

5 |           JUDGE CHACHKIN: So what I don't understand,  
6 | referring to NM -- Bureau Exhibit 399, if you didn't have any  
7 | authority from the Board, to re-negotiate the agreement, what  
8 | was the basis of your acting as an authorized officer in this  
9 | memorandum?

10 |           MRS. DUFF: Well, the authorization came from this  
11 | original meeting, and we were acting on the Board's action  
12 | that we had been given authority to come up with the plan to  
13 | reduce the debt and that's what we did.

14 |           JUDGE CHACHKIN: Well, you were given authority,  
15 | according to the minutes here, to establish a five year plan.  
16 | Now, the memorandum does not deal with a five year plan, so  
17 | I'm saying where did you get the authority then to re-  
18 | negotiate the repayment plan?

19 |           MRS. DUFF: Well, we thought that we had the  
20 | authority that we needed to do whatever was necessary to pay  
21 | off the debt and that was the desire of the Board, to make  
22 | sure that the debt was paid. And if we have to go back to the  
23 | Board again, and discuss it, that's all we have to do.

24 |           JUDGE CHACHKIN: Well, but this is July, 1992, and  
25 | --



1 MRS. DUFF: We're making --

2 JUDGE CHACHKIN: -- over a year has past, and my  
3 question is who gave you the authority to enter into this  
4 memorandum? Where did this authority come from?

5 MRS. DUFF: It came from the Board.

6 JUDGE CHACHKIN: But where is there anything at the  
7 Board's meeting, and I ask you whether it was any subsequent  
8 meeting where they permitted you to modify this five year  
9 plan, and you indicated to me there was not. I'm saying where  
10 is there in the 1992 annual meeting of NMTV, any authority to  
11 you to negotiate the agreement which is set forth in Bureau  
12 Exhibit 399?

13 MRS. DUFF: Well, we thought we had the authority  
14 given to us according to this annual meeting in 1992.

15 JUDGE CHACHKIN: But you've admitted that under the  
16 plan set forth in the memorandum, you would not pay off the  
17 debt in five years.

18 MRS. DUFF: But we would have made substantial  
19 strides in paying it off.

20 JUDGE CHACHKIN: I understand, but the Board  
21 apparently was only interested in establishing a plan that  
22 would pay off the debt in five years. Now, you've admitted to  
23 me that the memorandum does not permit such a repayment of  
24 debt. And I'm asking you then, where did you have the  
25 authority to modify the Board's action as set forth at their

1 meeting?

2 MRS. DUFF: Well, I --

3 JUDGE CHACHKIN: Who gave you that authority?

4 MRS. DUFF: Well, I think our -- actually our income  
5 is what indicated what we could afford to pay, and that's what  
6 -- that's what we did and that's why we paid the \$27,000.

7 JUDGE CHACHKIN: But you did this on your own,  
8 without getting the approval of the Board, isn't that correct?

9 MRS. DUFF: I did what I thought the Board had  
10 authorized me to do, yes, sir.

11 JUDGE CHACHKIN: All right, go ahead, Mr. Cohen.

12 BY MR. COHEN:

13 Q Now, I want to turn to another subject, Mrs. Duff.  
14 Have you ever consulted with any attorney other than Norman  
15 Juggert or Colby May's law firm, regarding contracts between  
16 NMTV and TBN?

17 A About contracts?

18 Q Yes.

19 A No.

20 Q Isn't it true that Colby May told you he had a  
21 conflict of interest in connection with his firm representing  
22 TBN and NMTV?

23 A He told me that there was a conflict of interest  
24 since he represented both entities, if there were ever  
25 anything that, you know, that couldn't be resolved. That

1 | there would be a conflict, and I understood that -- also  
2 | understood that I could get an attorney any time I wanted to  
3 | for NMTV.

4 |       Q     But he told you he had a conflict of interest, isn't  
5 | that correct?

6 |       A     That is correct.

7 |       Q     Yes. Now, isn't it true that you discussed your  
8 | conversation with Colby May, the conversation you had with  
9 | Colby May and with Paul Crouch?

10 |       A     I might have discussed it with Paul. But I knew at  
11 | any time that there was a problem, that I perceived that I  
12 | needed to get additional legal advice, I would not have  
13 | hesitated to do so.

14 |       Q     Isn't it true that you discussed your conversation,  
15 | the conversation you had with Colby May, with Paul Crouch?

16 |       A     I probably did, I don't really -- I can't really  
17 | focus on it right now, the specific discussion I had with him,  
18 | but it's the type of thing I probably would discuss with him.

19 |             JUDGE CHACHKIN: By the way, did -- do we have in  
20 | the record, the promissory notes which is set forth in a  
21 | memorandum?

22 |             MR. TOPEL: Yes, Your Honor, a promissory note  
23 | wasn't executed until January 1, 1993, and it reflects a five  
24 | year payment plan. It's in the record.

25 |             MR. COHEN: Well, that's accurate.

1 JUDGE CHACHKIN: But the promissory note referred to  
2 here in the Bureau Exhibit 399, which apparently I understand  
3 notes were -- I understand payments were being made. There  
4 are no notes memorializing those payments?

5 MR. TOPEL: Your Honor, I don't want to testify  
6 obviously.

7 JUDGE CHACHKIN: Well, I'm just saying, are there  
8 any notes memorializing those payments?

9 MR. TOPEL: No, I think the witness testified  
10 yesterday that she was unaware of any note having been  
11 executed pursuant to the July '92 memorandum.

12 JUDGE CHACHKIN: All right. Continue, Mr. Cohen.

13 BY MR. COHEN:

14 Q Now, getting back to the conflict of interest that  
15 Colby May advised you he had, did you discuss that  
16 conversation, and I'm talking about by that conversation, the  
17 conversation where Mr. May advised you he had a conflict of  
18 interest, did you discuss that conversation with any other  
19 director besides Paul Crouch, Director of NMTV?

20 A I don't specifically remember talking to each and  
21 every one, it might have come up in a board meeting, but I  
22 just don't have a specific memory of what context. I'm sure  
23 that I did, but I can't focus on exactly what context.

24 Q I want to refer Your Honor to the witness's  
25 deposition October 8th, 1993, line 9.

1 JUDGE CHACHKIN: What page?

2 MR. COHEN: 115. Did you mention it to any other  
3 directors of NMTV? Answer, "I don't remember specifically  
4 talking to them about it." Question, "Do you remember  
5 generally talking to them about it?" Answer, "No."

6 MR. TOPEL: Your Honor, how --

7 MR. COHEN: I'll go on.

8 MR. TOPEL: -- do we deal with these impeachment  
9 issues Mr. Cohen --

10 MR. COHEN: Let me continue what I'm reading, Your  
11 Honor.

12 JUDGE CHACHKIN: Just one second.

13 MR. COHEN: Let me continue, I have more to read.

14 JUDGE CHACHKIN: All right.

15 MR. COHEN: Question, "Do you remember talking to  
16 anybody other than Mr. Crouch, that's Paul Crouch I take it?"  
17 Answer, "Yes." Question, "Yes, did you discuss this with  
18 anyone other than Paul Crouch?" Line 21, "I don't believe I  
19 did."

20 BY MR. COHEN:

21 Q Now, isn't it true that you realized that Norman  
22 Juggert had a conflict of interest in representing both TBN  
23 and NMTV?

24 A Yes, I was aware of it.

25 Q And he didn't even need to tell you that, you knew

1 it on your own, didn't you?

2 A Yes.

3 Q Isn't it true that you didn't discuss Norman  
4 Juggert's conflict with any of the directors of NMTV who were  
5 not Trinity Employees?

6 A I don't really remember discussing it, you know,  
7 with him. You know, I just assumed that they would have the  
8 same type of knowledge or information that I would have.  
9 Anybody would know that, you know, if one attorney was  
10 representing more than one entity, that they would have a  
11 conflict of interest, I wouldn't think that would be so  
12 difficult to come up with on one's own.

13 Q I understand, but do you remember talking about it  
14 to any of the other directors?

15 A I don't remember whether I did or not.

16 Q You don't recall discussing anything?]

17 A No.

18 Q Now, isn't it true that in connection with the  
19 hiring of Mr. Topel's law firm, that the Board of Directors of  
20 NMTV recognize that there was a conflict of interest between  
21 NMTV, and TBN?

22 A Yes.

23 Q Would you please turn to Bureau Exhibit -- excuse  
24 me, Your Honor. Bureau Exhibit 334. Am I correct that that's  
25 a generic promissory note?

1 MR. TOPEL: No, 334 is not.

2 MR. COHEN: Then I'm confused. I'm in error.

3 BY MR. COHEN:

4 Q Turn to Glendale Exhibit 195. Now, that document is  
5 a generic promissory note prepared by Mr. Juggert, is that  
6 correct?

7 A I haven't gotten to it, I'm sorry.

8 MR. TOPEL: Excuse me. What number --

9 MR. COHEN: 195.

10 BY MR. COHEN:

11 Q Glendale 195, you're probably confused.

12 A No, I have it.

13 Q You have Glendale 195?

14 A Yes.

15 Q All right.

16 MR. TOPEL: The first page is a --

17 MR. COHEN: It's on the letterhead of --

18 MRS. DUFF: A fax.

19 MR. COHEN: A fax sheet, okay, we got it.

20 MR. TOPEL: Okay.

21 BY MR. COHEN:

22 Q Now, did Mr. Juggert prepare that generic promissory  
23 note?

24 A Yes.

25 Q And when he prepared that note, was he acting on

1 | behalf of NMTV or Trinity or both?

2 |       A     Well, his cover sheet says "Jane, I'm transmitting a  
3 | draft of a form of a generic promissory note for National  
4 | Minority."

5 |       Q     On whose behalf was he acting?

6 |       A     I had asked him to do it for me. So I was assuming  
7 | that he was doing it for National Minority. This is a draft  
8 | agreement.

9 |       Q     I want to go to the witness's testimony October 8,  
10 | 1993, deposition testimony, page 124, line 20. "Now, when Mr.  
11 | Juggert prepared this note, this generic promissory note, was  
12 | he acting on behalf of NMTV, or Trinity or both parties?"  
13 | Answer, "It would have been on the part of both parties. I  
14 | don't think he charged NMTV for it."

15 |             Bureau Exhibit 368, would you please turn to that?

16 |       MR. TOPEL: What volume is that in, for the witness?

17 |       JUDGE CHACHKIN: Volume 6.

18 |       MR. TOPEL: It's in Volume 6.

19 |       MRS. DUFF: 368?

20 |       JUDGE CHACHKIN: What number, Mr. Cohen?

21 |       MR. COHEN: 368. Is that the secured promissory  
22 | note?

23 |       MR. SCHONMAN: Yes.

24 |       BY MR. COHEN:

25 |       Q     Now, who drafted that secured promissory note?



1           A     It looks like a note that Norm would generate. Or  
2 it could have been Colby May, I'm not absolutely sure. It  
3 looks like --

4           Q     Either Mr. May or Mr. Juggert?

5           A     Yes, it could have been either one, really.

6           Q     Did you believe that NMTV's interests and Trinity's  
7 interests were identical in connection with the provisions of  
8 that note?

9           A     Well, NMTV was the debtor, and Trinity was the note  
10 holder, so I don't know how you could say that the interests  
11 were identical. We were the debtors, TBN was the one that had  
12 the debt.

13          Q     Now, concerning the terms of that note, did you  
14 discuss the terms with any officer or director of TBN?

15          A     Well, obviously I discussed it with Norm Juggert.

16          Q     And you were wearing your NMTV hat, weren't you, in  
17 connection with those discussions?

18          A     Yes.

19          Q     And when you discussed it with Mr. Juggert, were you  
20 looking to Mr. Juggert as TBN's lawyer, or NMTV's lawyer, or  
21 was he the lawyer for both parties?

22          A     Well, I was accustomed to dealing with this type of  
23 a note, it's something that I would be doing as my  
24 responsibility and I've seen notes like this, so I didn't feel  
25 like I was, you know, totally inexperienced at all, I didn't